Unemployment rate rises to 4.1% in April, along with higher participation

Media Release

Released 16/05/2024

Source: Labour Force, Australia, April 2024

The seasonally adjusted unemployment rate rose by 0.2 percentage points to 4.1 per cent in April, up from a revised 3.9 per cent in March, according to data released today by the Australian Bureau of Statistics (ABS).

Bjorn Jarvis, ABS head of labour statistics said: "With employment rising by around 38,000 people and the number of unemployed growing by 30,000 people, the unemployment rate rose to 4.1 per cent and the participation rate increased to 66.7 per cent."

"The 30,000 people increase in unemployment reflected more people without jobs available and looking for work, and also more people than usual indicating that they had a job that they were waiting to start in.

"The increases in both employment and unemployment in April saw the participation rate up by 0.1 percentage po to 66.7 per cent in April. It has been relatively high, above 66.5 per cent, since March 2023.

"The employment-to-population ratio remained steady at 64.0 per cent in April, indicating that recent employment growth is broadly keeping pace with population growth. This suggests that the labour market remains tight, though less tight than late 2022 and early 2023," Mr Jarvis said.

Employment and hours worked

Seasonally adjusted monthly hours worked remained steady between March and April.

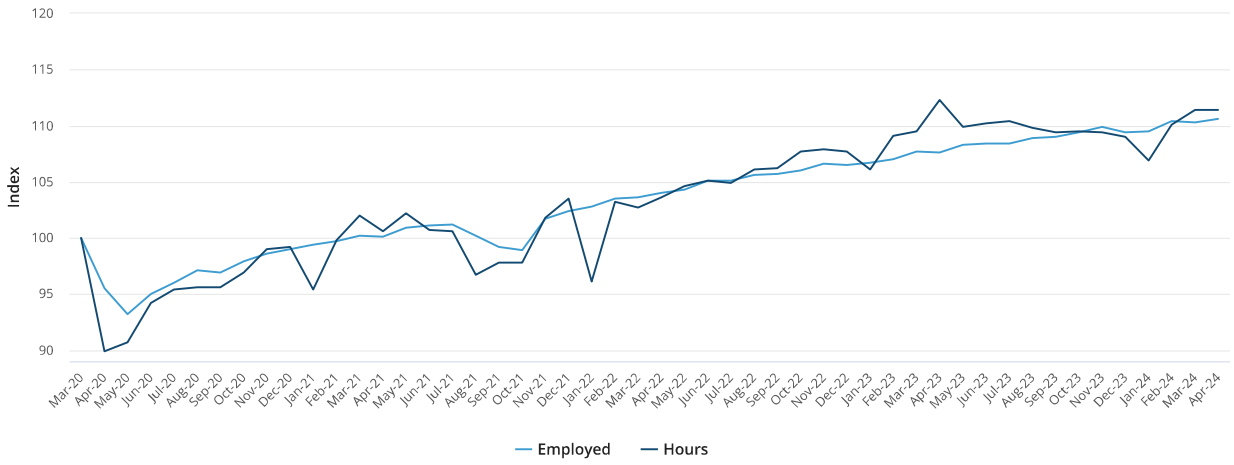
"The seasonal change in hours worked in April 2024 was similar to the normal pattern we usually see around the Easter holidays.

"In contrast to what we saw last year, when fewer people than usual took time off around the Easter holidays in April 2023, the proportion of people working reduced hours in April 2024 was more similar to what we saw before the COVID-19 pandemic," Mr Jarvis said.

Today's release also includes an article (/articles/seasonal-adjustment-and-changing-seasonality-labour-force-statistics) on seasonal adjustment, with a focus on understanding seasonality in the hours worked and employment.

Seasonally adjusted employment and hours worked, indexed to March 2020

Feedback



Source: Labour Force, Australia, Tables 1 and 19

Feedback

Underemployment and underutilisation

The seasonally adjusted underemployment rate rose 0.2 percentage points to 6.6 per cent in April 2024. While the underemployment rate has risen by 0.4 percentage points since April 2023, it remained 2.1 percentage points lower than March 2020.

The underutilisation rate, which combines the unemployment and underemployment rates, rose 0.3 percentage points to 10.7 per cent. While this was 0.8 percentage points higher than April 2023, it was 3.3 percentage points lower than March 2020.

Underlying trend data

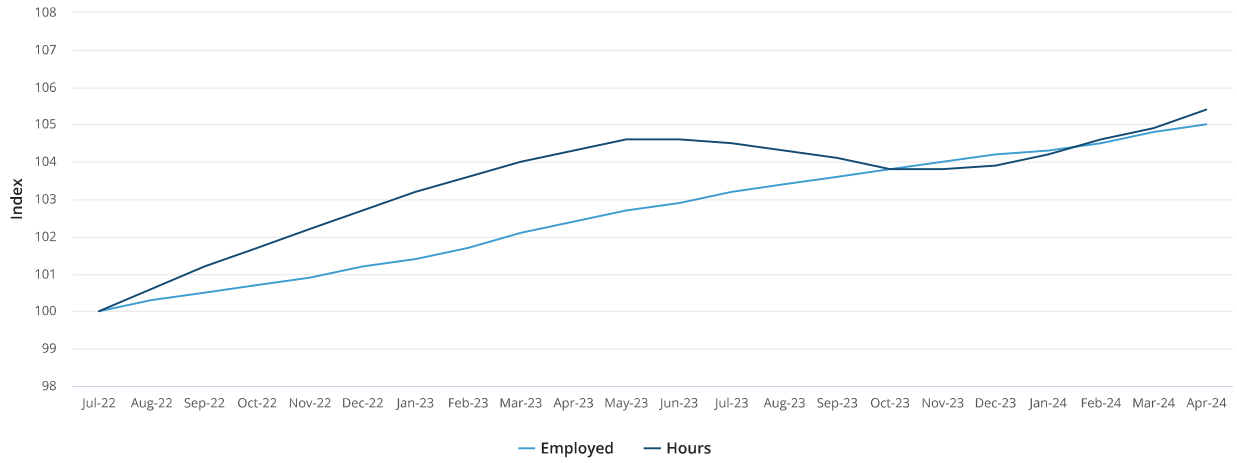
In April, the trend unemployment rate remained at 4.0 per cent.

In trend terms, employment grew by 31,000 people (0.2 per cent).

"The increase in trend employment in April is around what we have seen, on average, over the 20 years before the pandemic," Mr Jarvis said.

Hours worked rose by 0.4 per cent between March and April, in trend terms. The current trend data showed that hours worked had fallen during the second half of 2023 but now aligned more closely with employment growth since December 2023. It was 0.7 per cent above the previous peak in the trend series in June 2023.

Trend employment and hours worked, indexed to July 2022



Source: Labour Force, Australia, Tables 1 and 19

Feedback

The employment-to-population ratio remained at 64.0 per cent in April. This was still close to the historically high levels seen throughout 2023, and still 1.9 percentage points higher than March 2020.

The participation rate remained at 66.7 per cent. In rounded terms, this rate has been either 66.6 per cent or 66.7 per cent for the past 12 months, and well above the 65.6 per cent in March 2020.

"The employment-to-population ratio has been above 64.0 per cent, in trend terms, since June 2022. The trend participation rate has also been above 66.4 per cent in the same period. Both are well above their pre-pandemic levels," Mr Jarvis said.

The underemployment rate remained at 6.6 per cent and the underutilisation rate stayed at 10.6 per cent.

"The most recent trend data continues to point to a relatively tight labour market, consistent with what we have seen in Single Touch Payroll data and job vacancies data," Mr Jarvis said.

More information, including regional labour market data, will be available in the upcoming April 2024 issue of Labour Force, Australia, Detailed, on Thursday 23 May 2024.

The ABS would like to thank Australians for their continued support in responding to our surveys.

Media notes

- The April survey reference period is from 31 March 2024 to 13 April 2024.
- The May survey reference period is from 28 April 2024 to 11 May 2024.
- Access official, high-resolution images of Bjorn Jarvis and other ABS media spokespeople from our image library (/media-centre/abs-image-library) .

- When reporting ABS data you must attribute the Australian Bureau of Statistics (or the ABS) as the source.
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Feedback